



Frequently Asked Questions – Dormancy

When is a licence considered dormant?

A licence becomes dormant when the licensed establishment stops operating.

For example, if your restaurant closed for business on January 31, the licence will be considered dormant beginning on February 1.

When do I need to report that my licence is dormant?

You must notify the LCRB if your establishment will be closed for longer than 90 days, within 10 days of the closure or as soon as you become aware that the closure will be longer than 90 days. You do not need to report closures that are less than 90 days unless specifically asked to do so.

How do I notify LCRB that my licence is dormant?

Sign into the LCRB Portal and apply for dormancy online.

Failure to report dormancy is a contravention of your licence terms and conditions and may lead to penalties and/or cancellation of the licence. LCRB conducts a variety of routine reviews to identify dormant licences that have not been reported.

What are my responsibilities while my licence is dormant?

- Make sure the LCRB has your up-to-date contact information.
- Continue to renew the licence annually.
- Ensure the licensed area is not used for any other purpose, unless specifically permitted by your licence's terms and conditions.
- Report and/or apply for changes that affect your licence, as required by your terms and conditions (see your terms and conditions guidebook for a list of what types of changes need to be reported, when and how).
- Maintain valid interest in the current establishment. Valid interest means that you own or have control over the property, such as a lease, sublease, or other property arrangements.
- Know when your dormancy period will end and make sure you reopen or, if eligible, seek an extension, before your dormancy period ends. This can be monitored through the LCRB Portal.
- Log into the LCRB Portal to remove your licence from dormancy before you reopen (Submit a Dormancy Reinstatement application).

How long can my licence stay dormant?

A licence can remain in dormant status for any reason, for up to two years. If the establishment does not reopen by the end of the two years, the licence must be cancelled, unless you have demonstrated to LCRB that you are eligible for extended dormancy.

When can the dormancy period be extended?

A licence is only eligible for extended dormancy in specific, limited circumstances. These circumstances are described in s.92 of the Liquor Control and Licensing Regulation or s. 27.1 of the Cannabis Licensing Regulation. If your situation qualifies, you can request additional time.

For more information about the circumstances that qualify for extension, please refer to the Regulation, [Policy Directive 18-08](#) and [Policy Directive 20-17](#) or contact the LCRB.

It is important to note that LCRB has no ability to extend dormancy in situations other than those described in the Regulation. If your situation isn't one of the prescribed circumstances, you must resume operating before the two-year period ends or your licence will be cancelled.

How will I know when my dormancy period ends?

After you report your dormancy, LCRB will send you a notification through the portal confirming the dates of your two-year dormancy period and provide other important information about your dormancy period. Similarly, if your dormancy period is extended, you will receive an extension letter confirming the dates of the extended dormancy period.

What should I know about making changes to my business and/or licence during the dormancy period?

You are expected to plan your business decisions with your dormancy period in mind.

In particular, if you are considering buying or selling a business with a dormant licence, it is important to understand how the dormancy time-limit may impact those processes before you finalize your plans. If you have questions, please contact the LCRB.

Can I relocate my licence while it's dormant?

Yes, you can apply to relocate a dormant licence, but requests to extend dormancy are based on the circumstances related to the current establishment, not the proposed establishment. The dormancy period will not be extended to accommodate your relocation application and timelines related to the relocation (e.g., the Approval in Principle period) do not have the effect of extending the dormancy period.

This means that if your new location hasn't received final approval and opened for business before the two-year dormancy period expires, you must resume operating at the current location by the end of the dormancy period or the licence will be cancelled. If the licence is cancelled, the relocation

application will be terminated.

This is of particular importance for Licensee Retail Store (LRS) licensees due to the 1km distance criteria for LRS relocations and the moratorium on new LRS licences.

Can I renovate or make other structural changes while my licence is dormant?

Yes, you can apply for structural changes to the licensed area while the licence is dormant. Structural changes must generally be approved before you reopen, so you are encouraged to submit your application well in advance of the end of the dormancy period so it can be processed ahead of your dormancy deadline. You should also understand that timelines related to applications for structural changes (e.g., Approval in Principle period, etc.) do not have the effect of extending the dormancy period.

If your renovations may take longer than your dormancy period, you are encouraged to contact the LCRB to discuss whether your circumstances may qualify for an extended dormancy period. If not, the establishment must be open before the end of the dormancy period, or the licence must be cancelled.